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(c) *Requirements.* Such services provided by non-telecommunications carriers shall be subject to all the provisions of this subpart, except §§54.501(a), 54.502, 54.503, 54.515.

[62 FR 32948, June 17, 1997, as amended at 63 FR 2131, Jan. 13, 1998]

§54.518 Support for wide area networks.

To the extent that states, schools, or libraries build or purchase a wide area network to provide telecommunications services, the cost of such wide area networks shall not be eligible for universal service discounts provided under this subpart.

[63 FR 2131, Jan. 13, 1998]

§54.519 State telecommunications networks.

- (a) Telecommunications services. State telecommunications networks may secure discounts under the universal service support mechanisms on supported telecommunications services (as described in §54.502) on behalf of eligible schools and libraries (as described in §54.501) or consortia that include an eligible school or library. Such state telecommunications networks shall pass on such discounts to eligible schools and libraries and shall:
- (1) Maintain records listing each eligible school and library and showing the basis for each eligibility determination;
- (2) Maintain records demonstrating the discount amount to which each eligible school and library is entitled and the basis for such determination;
- (3) Take reasonable steps to ensure that each eligible school or library receives a proportionate share of the shared services;
- (4) Request that service providers apply the appropriate discount amounts on the portion of the supported services used by each school or library;
- (5) Direct eligible schools and libraries to pay the discounted price; and
- (6) Comply with the competitive bid requirements set forth in §54.504(a).
- (b) Internet access and installation and maintenance of internal connections. State telecommunications networks either may secure discounts on Internet

access and installation and maintenance of internal connections in the manner described in paragraph (a) of this section with regard to telecommunications, or shall be eligible, consistent with §54.517(b), to receive universal service support for providing such services to eligible schools, libraries, and consortia including those entities.

[63 FR 2131, Jan. 13, 1998; 63 FR 33586, June 19, 1998]

Subpart G—Universal Service Support for Health Care Providers

§54.601 Eligibility.

(a) Health care providers. (1) Only an entity meeting the definition of "health care provider" as defined in this section shall be eligible to receive supported services under this subpart.

(2) For purposes of this subpart, a

"health care provider" is any:

- (i) Post-secondary educational institution offering health care instruction, including a teaching hospital or medical school:
- (ii) Community health center or health center providing health care to migrants;
- (iii) Local health department or agency;
- (iv) Community mental health center:

(v) Not-for-profit hospital;

(vi) Rural health clinic; or

(vii) Consortium of health care providers consisting of one or more entities described in paragraphs (a)(2)(i) through (a)(2)(vi) of this section.

(3) Only public or non-profit health care providers shall be eligible to receive supported services under this subpart.

(4) Except with regard to those services provided under §54.621, only a rural health care provider shall be eligible to receive supported services under this subpart. A "rural health care provider" is a health care provider located in a rural area, as defined in this part.

(5) Each separate site or location of a health care provider shall be considered an individual health care provider for purposes of calculating and limiting support under this subpart.

(b) *Consortia.* (1) An eligible health care provider may join a consortium

with other eligible health care providers; with schools, libraries, and library consortia eligible under Subpart F; and with public sector (governmental) entities to order telecommunications services. With one exception, eligible health care providers participating in consortia with ineligible private sector members shall not be eligible for supported services under this subpart. A consortium may include ineligible private sector entities if such consortium is only receiving services at tariffed rates or at market rates from those providers who do not file tariffs.

- (2) For consortia, universal service support under this subpart shall apply only to the portion of eligible services used by an eligible health care provider.
- (3) Telecommunications carriers, health care providers, and consortia of health care providers shall carefully maintain complete records of how they allocate the costs of shared facilities among consortium participants in order to charge eligible health care providers the correct amounts. Such records shall be available for public inspection.
- (4) Telecommunications carriers, health care providers, and consortia of health care providers shall calculate and justify with supporting documentation the amount of support for which each member of a consortium is eligible.
 - (c) Services.
- (1) Any telecommunications service that is the subject of a properly completed bona fide request by a rural health care provider shall be eligible for universal service support, subject to the limitations described in this paragraph. The length of a supported telecommunications service may not exceed the distance between the health care provider and the point farthest from that provider on the jurisdictional boundary of the nearest large city as defined in §54.605(c).
- (2) Limited toll-free access to an Internet service provider shall be eligible for universal service support under §54.621.

[62 FR 32948, June 17, 1997, as amended at 64 FR 66787, Nov. 30, 1999]

§ 54.603 Competitive bid requirements.

- (a) Competitive bidding requirement. To select the telecommunications carriers that will provide services eligible for universal service support to it under this subpart, each eligible health care provider shall participate in a competitive bidding process pursuant to the requirements established in this subpart and any additional and applicable state, local, or other procurement requirements.
- (b) Posting of FCC Form 465. (1) An eligible health care provider seeking to receive telecommunications services eligible for universal service support under this subpart shall submit a completed FCC Form 465 to the Rural Health Care Corporation. FCC Form 465 shall be signed by the person authorized to order telecommunications services for the health care provider and shall include, at a minimum, that person's certification under oath that:
- (i) The requester is a public or nonprofit entity that falls within one of the seven categories set forth in the definition of health care provider, listed in §54.601(a);
- (ii) The requester is physically located in a rural area, unless the health care provider is requesting services provided under §54.621;
- (iii) If the health care provider is requesting services provided under §54.621, that the requester cannot obtain toll-free access to an Internet service provider:
- (iv) The requested service or services will be used solely for purposes reasonably related to the provision of health care services or instruction that the health care provider is legally authorized to provide under the law in the state in which such health care services or instruction are provided;
- (v) The requested service or services will not be sold, resold or transferred in consideration of money or any other thing of value; and
- (vi) If the service or services are being purchased as part of an aggregated purchase with other entities or individuals, the full details of any such arrangement, including the identities of all co-purchasers and the portion of the service or services being purchased by the health care provider.